DOCUMENT RESUME

ED 245 587 HE 017 285

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TITLE Futures Research and the Strategic Planning Process: Implications for Long-Range Planning in Higher Education.
PUB DATE Apr 84
NOTE 13p.; Paper presented at the Annual Meeting of the American Educational Research Association (68th, New Orleans, LA, April 23-27, 1984).
PUB TYPE Viewpoints (120) -- Speeches/Conference Papers (150)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *College Planning; Educational Change; *Futures (of Society); Higher Education; *Long Range Planning; Models; Prediction; *Trend Analysis
IDENTIFIERS *Strategic Planning

ABSTRACT

The concepts of long-range planning and strategic planning are explained, and a planning model is proposed. Attention is directed to an environmental scanning model that is congruent with the concept of strategic planning and that emerges from one portion of the futures research community, issues management. A third planning model, the strategic planning process model, is proposed as a combination of long-range planning and the environmental scanning model. It is suggested that supplementing long-range planning with strategic planning concepts will help deal with a changing external environment. The environmental scanning model begins with scanning the external environment for emerging trends and issues that pose threats or opportunities to the organization. Each potential issue or trend is then analyzed in the evaluating/ranking stage as to the likelihood that it will emerge and the nature and degree of its impact on the organization. Forecasts are made and each of the issues and trends are monitored for their relevance and accuracy. The strategic planning process consists of six stages: environmental scanning, evaluation of issues, forecasting, goal setting, implementation, and monitoring. (SW)

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FUTURES RESEARCH AND THE STRATEGIC PLANNING PROCESS: IMPLICATIONS FOR LONG-RANGE PLANNING IN HIGHER EDUCATION

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HE017285

Paper prepared for presentation at the 1984 annual meeting of the American Educational Research Association, New Orleans, April 23-27

FUTURES RESEARCH AND THE STRATEGIC PLANNING PROCESS: IMPLICATIONS FOR LONG-RANGE PLANNING IN HIGHER EDUCATION

America's colleges and universities are currently undergoing as profound a change as that which transformed the nineteenth century world of small religious colleges into the era of universities and land grant colleges. Much of this change is a consequence of the larger change in American society into which we are entering, the "information age." Certainly rapid technological developments in computers and telecommunications are revolutionizing current thinking with respect to instructional and management practices in our institutions of higher learning. Moreover, as a consequence of a rapidly changing economic workplace, more and more adults are re-entering postsecondary education not only for enhancement of their quality of life, but for vital and needed retraining. The role of research, training and development in higher education as we enter this new era has become more important than ever.

But ominous clouds threaten higher education as it exists today. Almost all American colleges and universities are faced with the necessity of retrenchment and budget cuts, constricting finances, new legislation and regulation, increased competition, and changing markets where some degree programs are overflowing and other degree programs are half full. Such uncertainty makes it more and more evident that the traditional planning methods, with their inward focus, are inadequate for our world as we know it today.

The purpose of this paper is to first delineate the concepts "long-range planning" and "strategic planning." We then describe a planning model, emerging from one portion of the futures research community, issues

management, which we term the environmental scanning model and argue that this model is congruent with the concept of strategic planning. Furthermore, we argue that it is possible to merge these two planning models into a third, which we term the strategic planning process model. We conclude that given most colleges and universities are currently in the long-range planning mode, such a merger will enhance their capability to plan more effectively in this changing world.

Strategic and Long-Range Planning

The word "strategy" comes from a Greek noun and verb. The noun, strategos, refers to a military general, combining stratos (the army) and ago (to lead). The prime tasks of strategic management are to understand the environment, define organizational goals, identify options, make and implement decisions, and evaluate actual performance. Thus, according to Drucker (1980, p. 61), strategic planning aims to exploit the new and different opportunities of tomorrow, in contrast to long-range planning which tries to optimize for tomorrow the trends of today.

Cope (1981) has contrasted long-range versus strategic planning as follows: long-range planning assumes a closed system within which short-range five to ten year blueprints are constructed, whereas strategic planning assumes an open system whereby organizations must constantly change as they integrate information from turbulent environments. Consequently, long-range planning focuses upon the final blueprint of a plan; strategic planning focuses upon the process of planning. Long-range planning focuses on internal analysis, applying quantitative formulas and models for resource deployment, and is organized as a separate and distinct function within the organization. Strategic planning, on the other hand, focuses on the external environment, on

judgmental decisions based on qualitative information regarding resource commitments, and on integrated, participatory involvement. Long-range planning uses existing data on which to project future plans; strategic planning is based on current and projected trends to make current and not future decisions. Thus, long-range planning emphasizes the science of management, planning, and decision making. In strategic planning, the focus is on changes outside the organization as to values, governmental actions, and what competing agencies and organizations are likely to do, with correspondingly less attention to computer models that project internal resource and staff requirements over the next five to ten years. Cope states, "long-range plans focus upon organizational goals and objectives five years from now; strategic planning asks what decision is appropriate today based upon an understanding of where the critical external variables will be five years from now." (p. 1) Thus, long-range planning is viewed as scientific, using detailed and interrelated data sets, agency plans, and extrapolations of current budgets. Strategic planning depends upon intuitive and creative decision making as to how to guide the organization over time in a turbulent environment. It is an organization-wide process that anticipates the future, and culminates in statements of intention that match strengths with opportunities and the management of threats. As Keller (1983) maintains, it is an effort to "make this year's decisions more intelligent by looking toward the probable future and compling the decisions to overall institutional strategy" (p. 132).

Most colleges and universities are currently in a long-range planning mode. However, it is possible to augment this mode with strategic planning concepts, and, thereby, enhance the ability of these institutions to steer a

course in a changing external environment. In order to advance this argument, we will first examine the traditional long-range planning model, then examine the environmental scanning model, which, when merged with the long-range planning model, results in the strategic planning process.

The Long-Range Planning Model

The traditional long-range planning model is based upon the concept that planning consists of at least four key steps built around these questions: (1) where is the organization now? (2) where is it going? (3) where does it want to go? and (4) what does it have to do to change where it is going to where it wants to go? In the planning context, these four questions are monitoring, forecasting, goal setting, and implementing. This is a continuing process that, for example, produces a five, ten, or 15 year plan every year. The long-range planning cycle begins by monitoring selected trends of interest to the organization, forecasting the future of those trends (normally based upon extrapolation from historical data using regression or other techniques), setting organizational goals in response to these forecasts, implementing operational plans based upon these goals, and monitoring the effect of these plans on those selected trends and issues. (See Figure 1)

Insert Figure 1

about here

One of the major limitations of the traditional long-range planning model is the lack of systematic inclusion of information about the changing external environment. Without this information, the long-range planning process may be locked in the present due to an assumption that since we cannot predict

changes in the external environment, we must base our planning on information we know from the past and immediate present. Or, certainly, the inside-out perspective implicit in traditional planning models restricts the amount of information from the external environment available to decision-makers.

The Environmental Scanning Model

The environmental scanning model begins with scanning the external environment for emerging trends and issues which pose threats or opportunities to the organization. Each potential issue or trend is then analyzed in the evaluating/ranking stage as to the likelihood that it will emerge and the nature and degree of its impact on the organization. This stage produces a rank ordering of the issues and trends according to their importance to current or planned operations. The next stage, forecasting, focuses on developing an understanding of the likely future for the most important issues and trends. In this stage, any of the modern forecasting techniques may be used. Once the forecasts are made, each of the issues and trends are monitored for their continued relevance and for the accuracy of the forecasts made in the proceeding stage. Monitoring, in effect, identifies areas for additional and continued scanning. For example, suppose the monitoring suggests that a demographic forecast is incorrect. This implies the need for additional scanning and analysis to develop a more credible forecast. (See Figure 2)

Insert Figure 2

about here

The environmental scanning model is congruent with strategic planning because it directly addresses the problem of obtaining and processing information from the external environment. With this information, decision makers are able to make and implement plans vis a vis the allocation or reallocation of resources in order to respond to threats or opportunities in an increasingly competitive marketplace. Of course, another requirement of strategic planning is that plans be based on an analysis of the strengths and weaknesses of the organization (Cyert, 1983), a requirement usually met by traditional long range planning models with their inside-out orientation.

The Strategic Planning Process Model

These two models of planning, the long-range planning model and the environmental scanning model, may be merged. As portrayed in Figure 3, the interrelated model, the strategic planning process, consists of six

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Insert Figure 3

about here

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identifiable stages: environmental scanning, evaluation of issues, forecasting, goal setting, implementation, and monitoring. The merged model, then, allows information form the external environment in the form of emerging trends and issues to enter the traditionally inwardly forced planning systems, thereby enhancing the overall effectiveness of college and university planning. More specifically, the merged model identifies how subjects that should be added to those used in the monitoring stage of the long-range planning model. Too, it allows the identification of issues and trends which must be used to modify the forecasts of the internal issues derived in

monitoring stage, i.e., the surprise events that are used in trend-impact analysis, policy--impact analysis, and probabilistic systems dynamics, as well as other rigorous forecasting methods used in the traditional long-range planning process.

Conclusion

The argument of this paper is that given a commitment to the long-range planning model, merging this model with the environmental scanning model enhances the overall effectiveness of college and university planning. The significance of this argument may be seen in two alternative futures: one where the future happens to the institution and one where the future happens for the institution. In the future that happens to the institution, issues, trends and new developments are not anticipated before they force their way to the top of the agenda, demanding crisis management and the latest fire-fighting techniques. In this future, issues are defined by others whose interests do not necessarily include those of the institution or its purpose. Not only are threats from the external environment not anticipated as early as possible, key opportunities will either be missed or diminished in value.

In the future that happens for the institution, administrative leadership is focused more in the fire-prevention mode and less in the fire-fighting mode. Thus it is able to exercise more careful judgment in the orderly and efficient allocation of resources. Certainly this future will still have unforeseen developments, but they will be fewer in number. Thus institutions will be able to address their mission with greater confidence and continuity as they are interrupted by fewer and smaller fire-fighting exercises.

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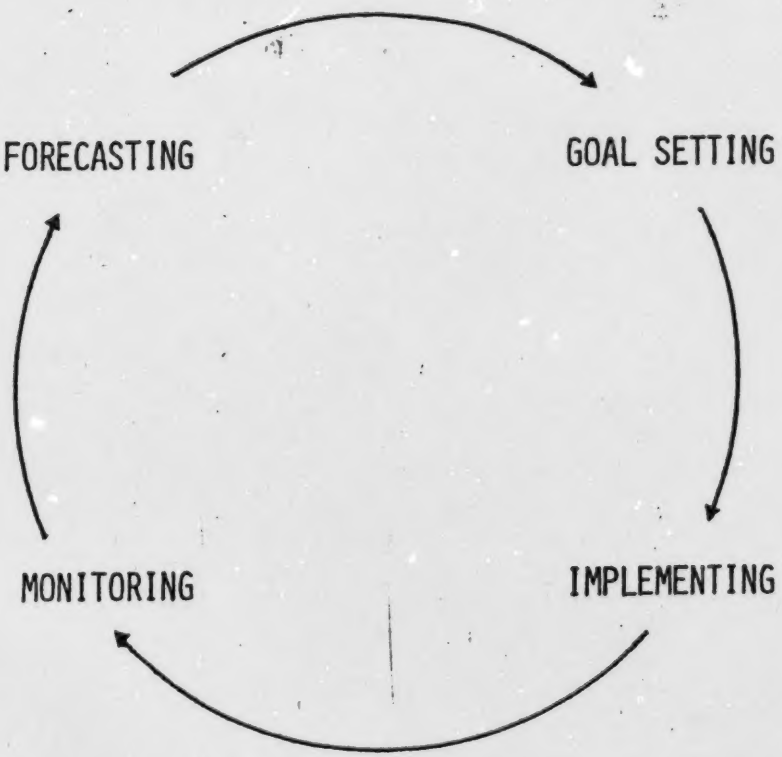
FORECASTING
GOAL SETTING
MONITORING
IMPLEMENTING
LONG RANGE PLANNING

FIGURE 1:

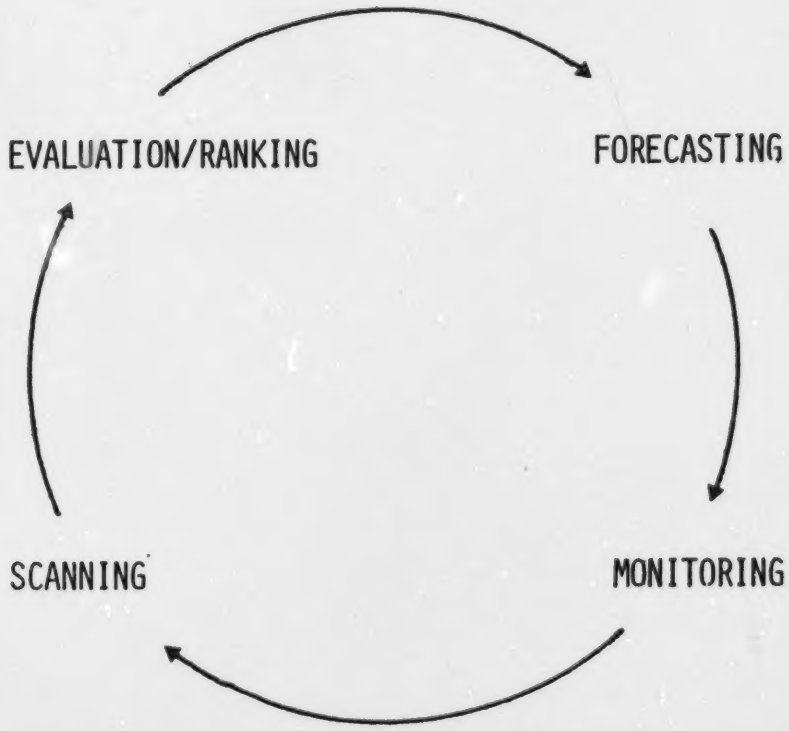

FIGURE 2: ENVIRONMENTAL SCANNING

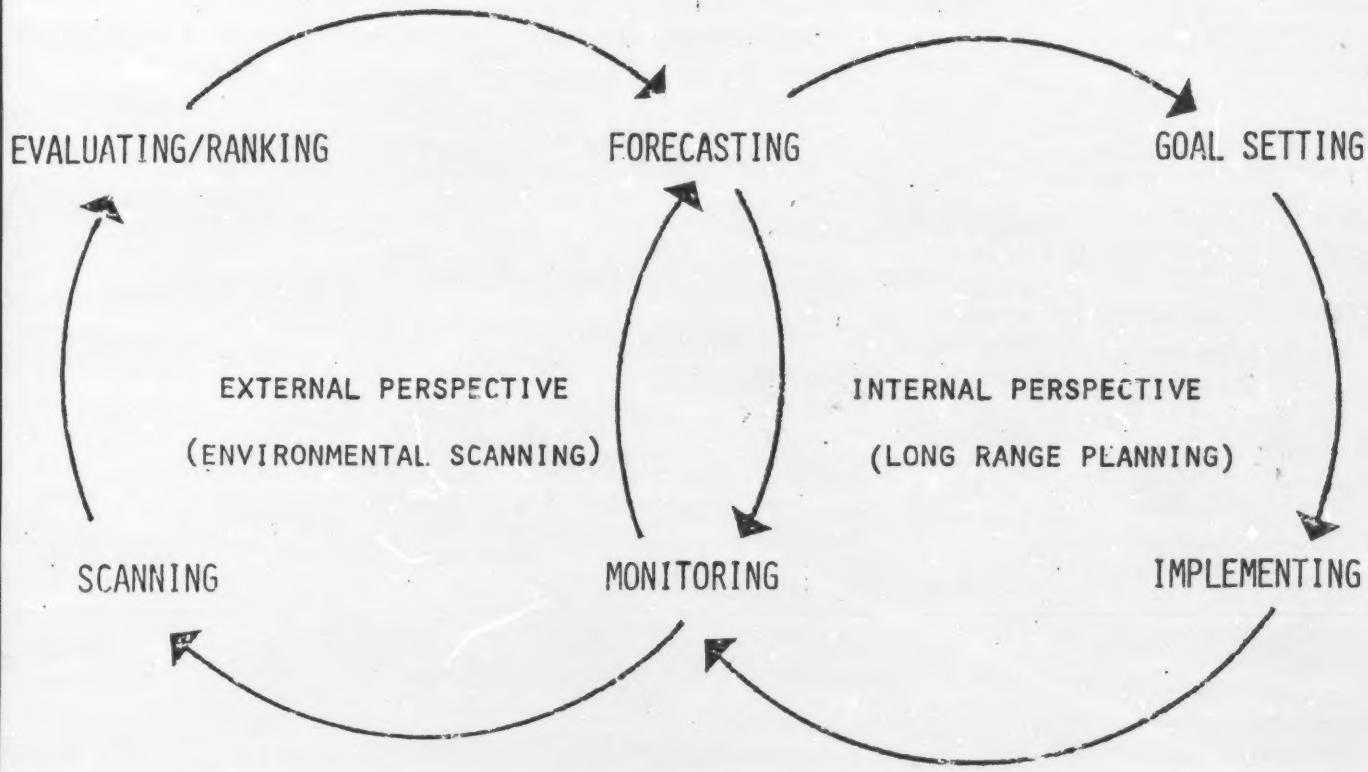

FIGURE 3: STRATEGIC PLANNING PROCESS